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GUARANTY TRUST COMPANY OF CANADA

Annual Report 1968



GUARANTY TRUST COMPANY OF CANADA

Home Office: 366 Bay Street, Toronto

OFFICES AND AGENCIES THROUGHOUT CANADA

COMPAGNIE GUARANTY TRUST DU CANADA

Siège social du Québec: 427 St-Jacques, O., Montréal

To our STOCKHOLDERS
our CUSTOMERS
the MEMBERS OF OUR STAFF
and the BUSINESS COMMUNITY

January 23, 1969

We are pleased to present on behalf of our Directors, the forty-third Annual Report of Guaranty Trust Company of Canada for the year ended December 31, 1968. We have included our comments on the results of the past year, the condition of the Company and the outlook for the year ahead.

J. WILSON BERRY,
Chairman of the Board

ALLAN B. RAMSAY,
President & General Manager

THE YEAR AT A GLANCE

	1968	1967
Capital Funds	$32,572,837	$27,483,571
Gross Income	10,622,082	10,377,463
Operating Expenditure	5,504,872	5,174,249
Operating Profit	5,117,209	5,203,214
Taxes	1,974,189	2,138,821
Depreciation on fixed assets	200,261	264,510
Net Profit	2,942,758	2,799,882
Per Share	.81	.80
Dividends paid	1,742,391	1,575,000
Per Share	.48	.45
Shareholders	3,450	3,501
Offices and Agencies	49	49
Shares Listed	The Toronto Stock Exchange Montreal Stock Exchange Vancouver Stock Exchange	
Unbroken Dividend Record	40 Consecutive Years	

BOARD OF DIRECTORS

*J. Wilson Berry
Chairman of the Board

*Allan B. Ramsay
President and General Manager

R. M. Willmott
Vice-Chairman of the Board

Ewart Angus, Toronto, Ontario
Financier

J. P. Bassel, Q.C., Toronto, Ontario
Bassel, Sullivan, Holland & Lawson

R. R. Bélanger, Montreal, Quebec
Vice-President
President, Bélanger Inc.

John G. Bennett, Vancouver, B.C.
Vice-President,
President, Bennett Corporation Limited

Edward T. Berry, Windsor, Ontario
Vice-President

M. J. Boylen, D.C.L., D.Sc., Toronto, Ontario
Chairman, Advocate Mines Limited

J. B. Carswell, O.B.E., Toronto, Ontario
Consulting Engineer

W. H. Furlong, Q.C., Windsor, Ontario
Vice-President,
Chairman, S. W. & A. Railway Company

*W. B. Gunning, Niagara Falls, Ontario
President, Cataract Canvas Limited

R. W. Keeley, K.S.G., K.M., Windsor, Ontario
Director, International Tools Limited

F. H. Leslie, Chippawa, Ontario
Vice-President,
President and Publisher,
Niagara Falls Evening Review

W. A. Major, Montreal, Quebec
President,
The United Provinces Insurance Company

J. P. Manley, Q.C., Toronto, Ontario
Manley, Grant, Armstrong & Camisso

David B. Mansur, C.B.E., Toronto, Ontario
President, Kinross Mortgage Corporation

G. M. Miller, Q.C., Sudbury, Ontario
Vice-President,
Chairman, Cambrian Broadcasting Limited

D. W. Naylor, Toronto, Ontario
Executive Vice-President,
Traders Group Limited

Geo. H. Nelms, Ottawa, Ontario
President, Geo. H. Nelms Ltd.

H. J. O'Connell, K.C.S.G., Montreal, Quebec
President, Soulanges Cartage and Equipment

*E. M. Proctor, B.A.Sc., Toronto, Ontario
Vice-President

Stephen B. Roman, K.C.S.G. LL.D., Toronto, Ontario
Chairman and President,
Denison Mines Limited

W. S. Row, Toronto, Ontario
Chairman, Kerr Addison Mines Limited

J. B. Sangster, Regina, Sask.
Chairman,
Modern Packaging Company Limited

F. T. Sherk, Toronto, Ontario
Industrialist

*W. F. Spry, F.I.I.C., Toronto, Ontario
Vice-President,
Chairman, Canadian General
Insurance Company

R. F. Wilson, Q.C., Toronto, Ontario
Day, Wilson, Campbell

*Member Executive Committee

REPORT OF THE CHAIRMAN AND THE PRESIDENT

INTRODUCTION

The year 1968 was a challenging one for the trust company industry. The Canadian dollar came under severe pressure early in the year and interest rates rose to their highest peak in history. This circumstance was accompanied by the development of strong inflationary pressures which continue to build into a problem of major magnitude. These problems and pressures affected your Company by increasing operating costs and narrowing profit margins in savings and term deposits.

Regardless of the above-mentioned unfavourable factors, your Company achieved higher levels in Earnings, Deposits and Assets Under Administration and also maintained its characteristic sound financial position.

In August of last year, the International Bank of Detroit acquired a 10% interest in the Company through the purchase of 388,889 treasury shares at $10.00 per share. The immediate benefit to us of this transaction was an increase in our borrowing power without any dilution in the book value of our stock. Over the longer term, we confidently expect mutually profitable advantages will enure to all parties concerned through the close association with the National Bank of Detroit, which is the sixteenth largest commercial bank in the United States.

DIRECTORS

During the year, we were saddened by the death of Mr. A. J. Major, LL.D., K.C.S.G., K.M., who had been a Vice-President and Director of the Company since 1947. He was a man of high integrity and ability and we will miss his wise counsel and warm personality. We also suffered the loss of three members of Regional Advisory Boards, Mr. R. C. Mott, Toronto; Mr. F. G. Holmes, Windsor; Mr. F. C. Cullimore, Niagara Falls. We deeply regret their passing and shall miss their participation in our affairs.

DIVIDEND INCREASE

It is always a pleasure, as our financial circumstances permit, to announce a dividend increase to our Shareholders. In view of the results in the past year, as well as the sound condition of the Company, action was taken by the Board of

Directors today, authorizing an increase in Dividends from 48¢ to 50¢ per share, per annum, beginning in the first quarter of 1969. This will be the ninth consecutive year in which dividends have been raised.

FINANCIAL REVIEW

Operating Results:—Our 1968 Net Profit of $2,942,758 was up 5.1% over the 1967 figure of $2,799,882 providing 81¢ per share adjusted to the average capital employed during the year as against 80¢ last year. Operating Income in 1968 totalled $10,771,967 after paying interest on Deposits in all forms in an amount exceeding $26,000,000. Operating Expenses were $5,654,757, up 7.8%, which increment in 1968 over 1967, as was the case in 1967 over 1966, is principally accounted for by the increase in costs of salaries and employee benefits.

Federal and Provincial taxes in the year under review are down by $164,000 from the previous year by reason of the increment in the element of non-taxable profit enjoyed in 1968 as against 1967.

Dividends of $1,742,391 were paid to Shareholders compared to $1,575,000 in 1967. During our corporate life we have now paid a total of $11,094,800 in Dividends to our Shareholders.

Capital Funds:—At December 31, 1968, our Capital, Reserve and Undivided Profits amounted to $32,572,837 up $5,089,000 over the previous year. In addition to the $3,888,900 realized in Capital and Premium from the allotment of stock, we were able to maintain the pace set in the year 1964 by again retaining an amount in excess of $1,000,000 of undistributed profits in order to improve the capital base which constitutes the test of our permissible borrowing, in other words, to sustain growth.

Guaranteed Funds:—Total Demand and Term Deposits of $500,512,843 are up $45,121,489 over last year. This, we believe, you will consider an acceptable element of growth in a year fraught with vicissitudes and a year which witnessed the fiercest competition for the savings dollar by all banks and other financial intermediaries within our time. At the year end these funds were invested 68% in First Mortgages and 32% in liquid holdings comprising cash, call loans, government and corporation securities and stocks. Cash and liquid investments amounted to 105% of our demand obligations.

HOUSING AND MORTGAGE INTEREST RATES

In 1968 your Company invested $44,800,000 in new mortgage loans, resulting

in a net increase of $28,243,000 bringing our mortgage portfolio at year end to $339,523,303. Of these, 88% are insured under The National Housing Act.

The current level of interest rates, now so high by any historical standard, not only presents problems to be managed by your Company but also has social implications. There is a generally accepted rule, and we believe a pretty good one, that a family should not spend more than about 25% of its income for principal, interest and taxes on its home. Not only is this appropriate for the family budget but mortgage companies are unprepared to approve mortgage loans if a much higher proportion of the family income is required for debt service.

A combination of higher land and construction costs as well as increased mortgage interest rates and municipal taxes are the reasons for a reducing proportion of families needing their first house being able to meet monthly carrying charges. Although family incomes have increased in recent years they have not kept pace with the increase in the carrying charges of home ownership. As this situation has been developing over the last few years there has been a swing from home ownership to apartment house living because there is no down payment requirement and because monthly rental has been less than the monthly carrying charges for a house. Presently the apartment house owner is beset by higher construction cost, increased interest rates and municipal taxes which is reflecting in a sharp increase in rentals. For the first time in recent years there are now signs of vacancies developing in the apartment house field because of higher rents.

The point which we wish to make is that a very high level of mortgage interest rates has important social implications. We have watched the increased down payments and carrying charges of houses cause a shift to a demand and occupancy of multiple accommodation. But now rents are rising sharply for very much the same reasons that caused this shift. Much of the relief from high ownership costs afforded over recent years by multiple accommodation is ceasing to be effective as rents continue to rise. We appear to be reaching a point where far too many families unable to afford a house of their own now cannot find rental accommodation within their means.

This problem is causing public concern and a quest for solutions. It is to be hoped that some good answers can be found. It is desirable that most families continue to be housed by the purchase of a house or the rental of an apartment by transactions in the private market place. The alternative is more general subsidization

of housing accommodation which is both an uneconomic and unsatisfactory way to deal with the problem. This has been clearly evidenced by the experience of those countries following such a course.

INVESTMENTS

Bonds of or guaranteed by the Governments of Canada and its Provinces amounted at year end to $104,211,936 at amortized cost. Our holdings in the bonds of Canadian Municipalities were reduced by $370,000 to $3,548,653 while our portfolio of stocks, that is Canadian equities, not exceeding market value, was up by $3,983,409 to $7,779,987. Under the caption "Sundry Assets" in our Balance Sheet, you will note a category classified as "Other Securities Not Exceeding Market Value", $53,911,977 which embraces short-term notes of Canadian chartered banks amounting to $15,000,000, short-term obligations of Canadian corporations maturing within one year totalling $27,000,000 and bonds and debentures of Canadian corporations and religious institutions totalling $11,900,000. Guaranty Plan Loans which we introduced on November 15, 1967, as a trust company innovation under the Basket Clause provisions of the investment powers for Company Funds Account, grew to $1,854,602. The words "other assets" which you will note and to which the figure $52,496 is ascribed is materially accounted for by the element of prepaid premium to the Canadian Deposit Insurance Corporation, which insurance cost your Company this year a premium of $114,502. The average maturity of bonds in our portfolio is 8½ years.

AMENDMENTS TO TRUST COMPANIES ACT

Canadian trust companies historically have had two complementary roles, one as a trustee corporation and the other as a financial intermediary of a specialized type. Successful operation in the financial intermediary role has been and remains essential to the profit position of the Company and so to the effective provision of trustee and executor services. We have been seeking from Government, modest changes in our intermediary powers to allow us to compete effectively as gatherers of savings in competition with the banks and other savings deposit media and we continue to hope that the desired amendments to our Statutory Provisions will be reflected in the amendments to The Trust Companies Act which The Honourable Minister of Finance, Mr. Benson, has recently intimated will be introduced in the Federal Parliament at an early date. Through this financial intermediary role, we have made and will continue to make a major contribution to the development of essential housing

for Canadians. We must continue to preserve the powers and the privileges inherent in this intermediary role. This does not mean that we want to become a bank. Trust companies are the only corporate entities in Canada authorized to perform trustee services, that is, the fiduciary side of our business. We have lately been hearing noises by officers of other members of the financial community about their desire to encroach on these exclusive powers of trust companies. Let us go on record to you, to the public, to the other members of the financial community and to Government, that we are strongly opposed to any suggestion that any other kind of financial institution be given the power to act as corporate trustees and executors in Canada. We believe that our industry's record of service in this area is completely satisfactory and that our facilities are adequate for the public good.

ESTATE TAX LEGISLATION

Inasmuch as we are the only corporate trustees in Canada, it follows that the trust companies have been particularly attentive to the recently proposed changes in tax legislation concerning estates. The Trust Companies Association of Canada has studied the proposals of October 22, 1968 with a great deal of care and a good deal of concern and have forthrightly expressed our views to The Minister of Finance. The change in policy or philosophy of The Federal Government in the area of Estate and Gift Tax levies is, we suggest, more far-reaching than generally realized by the Canadian public, and such proposed changes should be exposed to the fullest public and Parliamentary discussion before legislative action is taken to implement them. The proposals, admittedly embrace a highly desirable degree of relief on the impact of taxation on transmissions between spouses but this amounts to a deferment of exigible tax as opposed to an exemption. In the little longer run, as between parent and child, or from generation to generation, the aggregation of Gift Taxes and Estate Taxes, as proposed, amounts to nothing short of confiscation. The economic impact of the proposed dissemination of all pools of private capital, in a capital hungry, capital import society, must be subjected to careful scrutiny and all voices in our Canadian community should be raised in objection.

THE YEAR 1968

In both Personal and Corporate Trust Departments, Guaranty had a most successful year in 1968. Earnings, total Trust Assets and the number of new accounts all reached record highs. Estates, Trusts and Agencies under our care and management increased over December 31, 1967 by $55,957,547 to

$351,210,377. Income earned in the performance of personal and corporate trust services was $3,780,420, up $733,720, a gain of 24% over the preceding year. Despite the importance of the intermediary role, we shall continue to lay increasing emphasis on the Estate, Trust and Agency activities of our business on both the personal and corporate trust side.

FISCAL DISCIPLINE

After six years we now have a majority and viable Government in Ottawa. Hopefully, the Federal Government will set the pattern for all other levels of Government to practice economy and restraint in setting their spending programmes. Otherwise, inflation will not be contained.

Businessmen also have their role to play as there is evidence they may be miscalculating consumer demands by over-stocking inventories and increasing production too fast. There is also an indication that present expansion is being financed by savings which have been falling for some months. Within our own Company we have experienced the ravage of inflation of the high interest rates on borrowing; had interest rates remained constant as they were two years ago our gross profits before taxation would have been more than one million dollars higher. Every segment of the population is affected and nothing in our view is more important for Governments to do at this time than to practice the most rigid economies and quench the consuming fire of inflation.

OUTLOOK

In the months ahead we look for a moderation in economic growth. The expansion may slow from the unsustainable pace reached in 1968. The slowing down process will not be achieved without some pain. Unemployment is likely to rise and corporate profits may come harder. Many consumers may have to readjust their spending plans downward. With an anticipated abatement in inflation the economy will be basically healthier this year.

Last year was a productive year for us and the results are due to the teamwork of the Directors, Advisory Boards, Officers and staff, and the loyal support of Shareholders and customers that have enhanced our position. This report records our history and we review it with a look to the future and the promise 1969 holds.

J. W. Berry
Chairman

President

GUARANTY TRUST COMPANY OF CANADA

STATEMENT OF AFF

Assets

SECURITIES:	1968	1967
Government of Canada and Provinces of Canada	$104,211,936.70	$ 93,469,200.15
Canadian Municipal	3,548,653.76	3,918,727.66
Stocks	7,779,987.27	3,796,578.58
Other Securities not exceeding market value	53,911,977.35	50,579,869.29
	$169,452,555.08	$151,764,375.68
Cash on deposit and on hand	13,640,991.90	12,534,116.01
Loans on Bonds and Stocks	4,599,243.47	3,977,721.79
Other loans	1,854,602.91	35,399.99
Advances to Estates	272,474.62	65,075.50
First Mortgages	339,523,303.08	311,280,454.70
Office Premises and Equipment	4,295,856.36	4,224,504.15
Other Assets	52,496.78	966.40
	$533,691,524.20	$483,882,614.22

We hereby certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the Company's affairs.

J. WILSON BERRY, *Chairman of the Board*
A. B. RAMSAY, *President and General Manager* } *Directors*
R. M. WILLMOTT, *Vice-Chairman*

TOTAL ASSETS UNDER ADMINISTRATION:

Cash, securities and other assets held for Estates, Trusts and Agencies	$351,210,377.90	$295,252,830.34
Capital and Guaranteed Funds Assets	533,691,524.20	483,882,614.22
	$884,901,902.10	$779,135,444.56

AUDITOR

We have examined the Statement of Affairs of Guaranty Trust Company of Canada as of December 31, 1968. Our accounting records and such other auditing procedures as we considered necessary in the circumstances. We have ob

The assets held for Guaranteed Trust Funds and for Estates, Trusts and Agencies are kept separate from the Compa

In our opinion the accompanying Statement of Affairs is properly drawn up so as to set forth a true and correct vie tions given to us and as shown by the books of the Company.

January 9, 1969.

COMPAGNIE GUARANTY TRUST DU CANADA

S DECEMBER 31, 1968

Liabilities and Capital

	1968	1967
GUARANTEED TRUST FUNDS:		
Demand Deposits	$180,322,952.65	$176,272,408.42
Term Deposits	320,189,891.06	279,118,946.20
	$500,512,843.71	$455,391,354.62
Federal and Provincial Taxes	139,175.87	613,938.41
Dividend Payable January 15, 1969	466,666.80	393,750.00
	$501,118,686.38	$456,399,043.03
CAPITAL FUNDS:		
Capital Stock Outstanding, 3,888,890 shares, $2.00 par (3,500,000)	$ 7,777,780.00	$ 7,000,000.00
Reserve Fund	24,000,000.00	20,000,000.00
Undivided Profits	795,057.82	483,571.19
	$ 32,572,837.82	$ 27,483,571.19
Total Liabilities and Capital	$533,691,524.20	$483,882,614.22

STATEMENT OF UNDIVIDED PROFITS

Profits for the year after providing for expenses of management, accrued interest, contingencies, contributions to insurance and pension fund	$ 5,117,209.44	$ 5,203,214.36
Depreciation of office premises and equipment	200,261.90	264,510.77
Federal and Provincial Taxes	1,974,189.43	2,138,821.40
Net Profit for the year	$ 2,942,758.11	$ 2,799,882.19
Dividends	1,742,391.48	1,575,000.00
	$ 1,200,366.63	$ 1,224,882.19
Premium on sale of Capital Stock	3,111,120.00	—
Undivided profits brought forward from previous year	483,571.19	1,258,689.00
	$ 4,795,057.82	$ 2,483,571.19
Transferred to Reserve Fund	4,000,000.00	2,000,000.00
Undivided Profits	$ 795,057.82	$ 483,571.19

RTIFICATE

nation was made in accordance with generally accepted auditing standards and accordingly included such tests of the all the information and explanations we have required.

wn assets and are so earmarked on the books of the Company as to show the accounts to which they belong.

ue state of the affairs of Guaranty Trust Company of Canada according to the best of our information and the explana-

ERNST & ERNST, *Chartered Accountants.*

WHERE THE GUARANTY TRUST DOLLAR CAME FROM

63¢
Investments



2¢
Safe Deposit and Office Rentals

1¢
Other Sources

34¢
Trust Fees

WHERE THE GUARANTY TRUST DOLLAR WAS USED

35.2¢
Salaries and Employees' Benefits



11.1¢
Reserve Fund and Undivided Profits

18.3¢
Taxes

16.1¢
Dividends

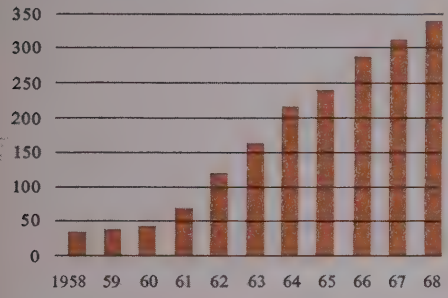
19.3¢
Operating Expenses

A RECORD OF THE PAST TEN YEARS

FIRST MORTGAGES

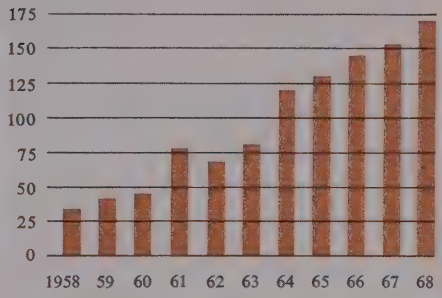
88.1% guaranteed under the National Housing Act

MILLIONS OF DOLLARS



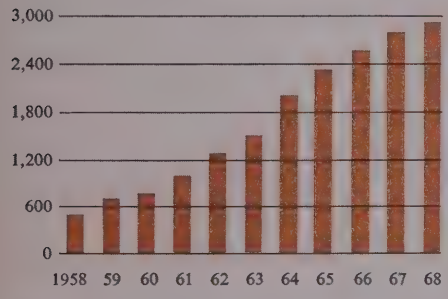
INVESTMENT SECURITIES

MILLIONS OF DOLLARS



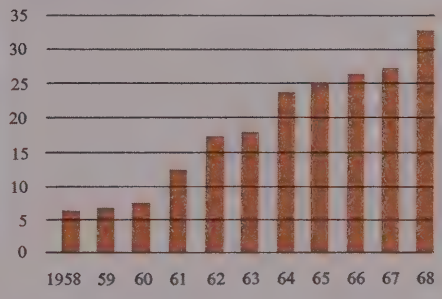
NET PROFITS (after Taxes)

THOUSANDS OF DOLLARS



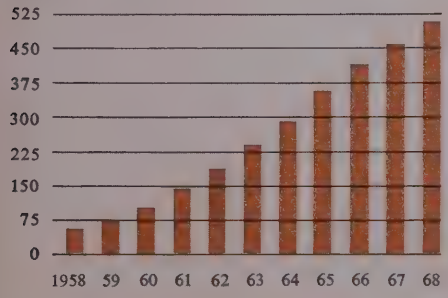
CAPITAL & RESERVE

MILLIONS OF DOLLARS



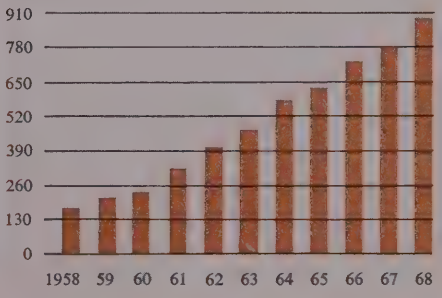
DEPOSITS

MILLIONS OF DOLLARS



TOTAL ASSETS

MILLIONS OF DOLLARS



ADMINISTRATIVE OFFICERS

Chairman

J. WILSON BERRY

President and General Manager

ALLAN B. RAMSAY, LL.B.

Vice-President

EDWARD T. BERRY

Vice-President

G. HAROLD EDWARDS, C.A.

Deputy General Manager

R. L. ARMSTRONG, LL.B.

Deputy General Manager

J. J. OLSCAMP

Assistant General Managers

A. B. ASHFORTH, C.A. H. R. BARCLAY J. D. CREASE, LL.B. E. B. TOLLER, B. COMM.

Manager Corporate Trusts

V. H. PERRY

Treasurer

R. C. BREARLEY

Secretary

PETER F. BENNETT, LL.B.

Supervisors

G. DOUGLAS ASH
(Alberta)

E. W. LAWBY
(Saskatchewan)

LINCOLN JOHNSON
(Manitoba)

OFFICES AND AGENCIES

ALBERTA

CALGARY - - G. D. Ash, *Supervisor Alberta*
C. R. Sharp, *Manager*

EDMONTON - - - E. K. Stephens, *Manager*

BRITISH COLUMBIA

VANCOUVER
Howe Street - - D. S. Willard, *Manager*
West Vancouver - A. E. F. Staple, *Manager*
Granville Street - - A. J. Kunz, *Manager*
North Vancouver P. Sawchuck, *Pro Manager*

VICTORIA
Fort St. - - Lloyd G. McKenzie, Q.C., *Agent*

MANITOBA

WINNIPEG - - - Lincoln Johnson, *Supervisor Manitoba*
D. V. Roberts, *Manager*

NEW BRUNSWICK

FREDERICTON - - H. A. Hanson, Q.C., *Agent*

NEWFOUNDLAND

ST. JOHN'S - - - - - Eric Cook, Q.C., *Agent*

NOVA SCOTIA

HALIFAX - - - - Ronald J. Downie, *Agent*

ONTARIO

BELLEVILLE - - - - W. S. Wills, *Manager*

CORNWALL - - - - J. L. Cook, *Manager*

FORT WILLIAM - - T. M. Roberts, *Manager*

HAMILTON - - - - J. G. Campbell, *Manager*

HANOVER - - - - - T. B. Pryde, *Manager*

LEAMINGTON - - - - G. R. Wigle, *Manager*

NIAGARA FALLS
Queen St. - - - - E. D. Skuce, *Manager*
Main St. - - - K. H. Lindsay, *Manager*

NORTH BAY - - - L. M. Edwards, *Manager*

OSHAWA - - - - - W. R. Colley, *Manager*

OTTAWA & DISTRICT
Bank St. - C. H. Ferris, *Manager*
G. J. Lalonde, *Assistant Manager*
Billings Bridge Plaza
H. W. E. Mallalieu, *Manager*

OTTAWA & DISTRICT (*continued*)
St. Laurent Shopping Centre
B. V. Moore, *Manager*

PEMBROKE - - - - H. G. Shaver, *Manager*

PETERBOROUGH - - W. J. Chapman, *Manager*

PORT ARTHUR - - P. B. Dennett, *Manager*

RICHMOND HILL - - K. A. Brown, *Manager*

ST. CATHARINES - - - G. M. Bird, *Manager*

SAULT STE. MARIE - - D. R. Cook, *Manager*

SIMCOE - - - - - - - H. W. Fick, *Manager*

SUDBURY - - C. D. Aiken, *Manager*
O. F. Gross, *Assistant Manager*

TORONTO & DISTRICT
366 Bay Street
R. L. Armstrong, *Deputy General Manager*
J. D. Nowlan, *Savings Manager*
1719 Avenue Road - H. A. Perkin, *Manager*
970 Bloor Street West, U. A. Superina, *Manager*
45 Don Mills Centre R. A. Holmes, *Manager*
2555 Victoria Park Ave.,
J. A. Thompson, *Manager*
2488 Yonge Street - - W. C. Irwin, *Manager*
3204 Yonge Street - - J. C. Dunk, *Manager*
4809 Yonge Street - K. H. Doughty, *Manager*

WELLAND - - - - K. J. P. Moser, *Manager*

WINDSOR - - Edward T. Berry, *Vice-President*
D. G. Tait, *Manager*

QUEBEC

HULL - - - - - - - - P. Crevier, *Manager*

MONTREAL
427 St. James St. W.
Roger W. Laliberté, C.A., *Manager*
7275 Sherbrooke St. E.
D. Beauregard, *Pro Manager*

SASKATCHEWAN

MOOSE JAW - - - A. J. J. Lacey, *Manager*

REGINA E. W. Lawby, *Supervisor Saskatchewan*
A. O'Leary, *Manager*

SASKATOON - - - W. C. Mulvihill, *Manager*

FOREIGN AGENTS

DETROIT, National Bank of Detroit

NEW YORK, Bankers Trust Company

NASSAU, BAHAMAS, Guaranty Trust Bank Limited

LONDON, ENG., Royal Bank of Canada

ADVISORY BOARD MEMBERS

The following are associated with the Company and contribute valuable advice and assistance as members of local Advisory Boards.

ALBERTA

CALGARY

CHARLES S. LEE
President, Western Decalta Petroleum Ltd.

J. L. MACPHERSON
MacPherson, Kelly, O'Neil & MacLeod

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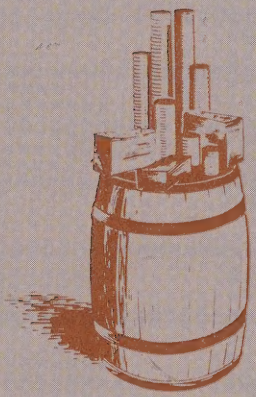
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